



ASSOCIATION FOR MAXIMUM SERVICE TELEVISION, INC.

July 15, 1999

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Ms. Deborah Lathen, Chief
Cable Services Bureau
Federal Communications Commission
445 12th Street, SW
Room 3C 754
Washington, DC 20554

Re: CS Docket No. 98-120Margita E. White
President

Dear Deborah:

While MSTV appreciates ALTV's support for the principle that cable carriage of DTV broadcast signals is vital to the preservation of the public benefits of our free and universal community-based television broadcast system (July 13 letter to you from ALTV President James B. Hedlund), that letter also requires clarification of the record as to MSTV's position on "bifurcation". Contrary to Mr. Hedlund's assertions, as you and other FCC officials with whom we have met well know, MSTV has always stressed the importance of resolving **all** the DTV cable carriage issues as soon as possible. As the Commission has deferred these issues, with delays in the issuance and resolution of the rulemaking, we have tried to jump-start the proceeding by asking the Commission to push **ahead** on the discrete issues that it can without further delaying the other issues. Like Mr. Hedlund, we are mindful of the October 1 retransmission consent/must carry election deadline stations face and fervently hoped the Commission would have resolved most, if not all, of the cable carriage issues by then.

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Of all broadcast organizations, none has been more concerned than MSTV about delays in the Commission's adoption of DTV/cable carriage rules. MSTV first urged the application of carriage rules to advanced television stations early in this decade; it has taken the position that the cable carriage rulemaking should have been launched three years ago; and it has repeatedly met with the Cable Services Bureau, the Mass Media Bureau and the Commissioners' offices concerning the need as promptly as possible to resolve *all* the cable carriage issues pending before the Commission in this proceeding.

As recently as last fall at the MSTV DTV Update conference, FCC representatives were indicating that the Commission would act in this proceeding in the first or second calendar quarter of 1999. But soon thereafter it became apparent that the timing was slipping. Compounding the adverse consequences of this slippage is the fact that broadcasters must engage in and resolve must-carry/retransmission consent negotiations by October 1 of this year; yet the Commission has not even adopted the "rules of the road" cable-carriage regulations that provide a framework for these negotiations in the analog environment.

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Early this year, during broadcaster visits with Commissioners to urge prompt completion of this proceeding, the idea arose that this goal might best be achieved by separating the must-carry and other DTV carriage issues to advance action on the latter. As a follow-up, MSTV gave careful consideration to this approach and discussed it at its Board meeting on April 18, a discussion in which you graciously participated. In that and all other discussions at the Commission and elsewhere, MSTV made clear that it could not support "bifurcation" unless the proposal to advance the schedule for resolving the non-must-carry carriage issues would not delay resolution of the core must-carry issue.

This is the crux of the misunderstanding in Mr. Hedlund's letter. The point of the MSTV position is that resolution of the non-must-carry issues should be advanced, not that resolution of the must-carry issue should be delayed. For example, MSTV's May 11, 1999 *ex parte* letter submitted in this docket states that "MSTV explored whether resolution of some or all non-must-carry issues might be specialy expedited in view of the imminence of negotiations of retransmission consent and other agreements." (emphasis added). Again, far from countenancing delay on the must-carry decision, MSTV reiterated in its June 3, 1999 *ex parte* letter that it "stressed the need for quick action on cable carriage issues." This clarification should take care of Mr. Hedlund's concerns and criticisms.

MSTV denies Mr. Hedlund's allegation that its "positions often are weighted heavily towards the interests of major affiliate owner groups." That was not the case with respect to bifurcation or any other issue. MSTV has gone to great lengths to defend the merits of carriage requirements for all stations' digital signals and has made clear that the Commission should adopt all those requirements as soon as possible.

We have made this position clear to you, others at the Commission and the Commissioners and their staffs, and submit it now for the record.

Respectfully submitted,



Margita E. White
President

cc: Chairman William E. Kennard
Commissioner Susan Ness
Commissioner Harold Furchtgott-Roth
Commissioner Michael K. Powell
Commissioner Gloria Tristani
C.S. Docket No. 98-120
Mr. James B. Hedlund